



State of Idaho
Department of Environmental Quality
1410 North Hilton
Boise, Idaho 83706



U.S. Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, Washington 98101

April 18, 2003

VIA FACSIMILE

Daniel E. Meyer
Site Manager/Project Coordinator
Upstream Mining Group
P.O. Box 1080
Kellogg, ID 83837

Re: Notice of Partial Approval and Partial Disapproval of Hecla's Annual Remedial Action Work Plan for the Bunker Hill Superfund Site

Dear Mr. Meyer: *Dan*

This letter partially approves and partially disapproves the draft Residential Areas Annual Remedial Action Work Plan (Work Plan) that Hecla Mining Company submitted to the U.S. Environmental Protection Agency (EPA) and the Idaho Department of Environmental Quality (IDEQ) on April 15, 2003. Hecla is required to submit this Work Plan pursuant to the 1994 Consent Decree entitled United States of America v. ASARCO Inc. et al, Civ 94-0206-N-HLR (CD).

In your April 15 submittal, Hecla proposes only to fund Hecla project management, the Institutional Controls Program (ICP), half of IDEQ oversight costs, and the remediation of approximately 18 residential properties, including high-risk yards, this year. Hecla's proposal does not fully comply with the requirements of the CD. The CD requires the Settling Defendants, jointly and severally, to remediate a minimum of 200 yards per year, address water well closures, remediate Rights-of-Way (ROWs) and commercial properties, and conduct other work outlined in the Remedial Design Reports.

Pursuant to Paragraph 39 of Section XII (Submissions Requiring Agency Approval) of the CD, EPA and IDEQ approve Hecla's draft Work Plan to the extent Hecla proposes to remediate residential properties in the Populated Areas and fund the ICP and IDEQ oversight costs this year. Pursuant to the same CD authority, EPA and IDEQ disapprove Hecla's draft Work Plan to the extent Hecla has failed to meet the remainder of its CD obligations, including remediating a minimum of 200 yards, addressing water well closures, remediating ROWs and commercial properties, and conducting other work outlined in the Remedial Design Reports.

As mentioned during our meeting on March 12, 2003, EPA and IDEQ are willing to entertain a proposal by Hecla to modify the Work Plan to provide for the performance of at least half of the work required under the CD for this construction season. EPA's and IDEQ's




willingness to consider less than full performance by Hecla this construction season does not indicate our intent to modify the Settling Defendants joint and several obligations under the CD for future years. In addition, absent the submittal and approval of a revised Work Plan, EPA and IDEQ do not waive their authority to seek relief for the Settling Defendants failure to meet the requirements of the CD.

Pursuant to Paragraph 41.a. of the CD, EPA directs Hecla to correct the deficiencies and resubmit the Work Plan to EPA and IDEQ for approval within seven (7) calendar days of receipt of this letter. Specifically, EPA directs Hecla to modify the Work Plan to include the remediation of 100 residential yards (including high-risk yards) plus associated ROWs and commercial properties in the City of Wardner.

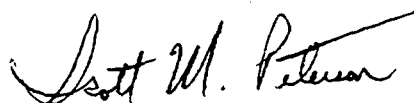
Hecla's failure to resubmit the Work Plan as directed will constitute a violation of the terms and conditions of the CD. As you are aware, with limited exceptions, the dispute resolution procedures outlined in the CD provide the exclusive mechanism for resolving disputes regarding CD requirements, including the matters addressed by this letter. Violations of the CD subject the Settling Defendants to stipulated penalties under Section XXI of the CD. Should Hecla fail to resubmit an approvable Work Plan, Hecla will be subject to the stipulated penalties section of the CD. Pursuant to the CD, stipulated penalties begin to accrue on the date that the deficient submittal was originally due, in this instance, April 15, 2003.

We look forward to receiving this year's Work Plan for cleanup of contaminated residential properties in the Populated Areas. Should you be interested, we are available to meet with you in an expedited fashion to discuss the matters addressed by this letter. Please contact us if you have any questions.

Sincerely,



Angela Chung
EPA Superfund Project Manager



Scott Peterson
IDEQ Project Manager

Cc: Chris Pfahl
Paul Glader
Rob Hanson (by email)
Curt Fransen (by email)
Ted Yackulic (by email)